

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 1/31/07

SPONSOR Rodella LAST UPDATED _____ HB 643

SHORT TITLE Rio Chama Water Banking and Conservation SB _____

ANALYST Propst

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$150.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Office of the State Engineer (OSE)

SUMMARY

Synopsis of Bill

House Bill 643 bill appropriates \$150.0 from the General Fund to the Local Government Division of the Department of Finance and Administration for expenditure in FY 08 for a water banking and conservation plan in Rio Chama.

FISCAL IMPLICATIONS

The appropriation of \$150.0 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the General Fund.

SIGNIFICANT ISSUES

The Office of the State Engineer notes that water banking by acequias was authorized by the New Mexico Legislature in Laws of 2003, Chapter 132, House Bill 302. HB 643 would allow acequias in Rio Chama to implement that law and allow members of the acequias to protect their water rights from forfeiture while providing irrigating members an additional source of water for irrigation.

House Bill 643 – Page 2

Water banks created with this funding should comply with all statutes and State Engineer regulations.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Acequias in the Rio Chama may experience considerable delay in implementing water banking and thereby not be able to advantage of the 2003 law.

WEP/nt